

FORD MOTOR COMPANY OF CANADA,  
L I M I T E D

*[Incorporated under the Dominion Companies Act]*

WINDSOR . . . . . ONTARIO

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A N N U A L  
R E P O R T

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FORD MOTOR COMPANY OF CANADA, LIMITED

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DIRECTORS

EDSEL B. FORD, *Chairman of the Board*

W. R. CAMPBELL, *President and Treasurer*

G. E. DICKERT, *First Vice-President*

P. E. MARTIN, *Second Vice-President*

HENRY FORD

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D. B. GREIG, *Secretary and Assistant Treasurer*

G. G. KEW, *Assistant Secretary*

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AUDITORS

CLARKSON, GORDON, DILWORTH & NASH

## STATEMENT OF INCOME AND EXPENDITURE

For the year ended December 31st, 1935

|                                                                                                                                                                                                                                     |                   |                        |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|------------------------|
| Net Operating Loss after all<br>charges, including Depreciation<br>and Obsolescence \$331,095.67,<br>Remuneration to Executive<br>Officers \$161,533.33, Solicitors'<br>Fees \$8,522.50, and Directors'<br>Fees \$3,000.00. . . . . |                   | \$ 403,718.73          |
| Investment Income -                                                                                                                                                                                                                 |                   |                        |
| Interest on Bonds . . . . .                                                                                                                                                                                                         | \$ 378,797.90     |                        |
| Dividends received from Sub-<br>sidiary Companies . . . . .                                                                                                                                                                         | 1,903,605.76      |                        |
| Profit on Sale of Investments                                                                                                                                                                                                       | <u>231,048.08</u> | <u>2,513,451.74</u>    |
| Net Profit before Income Taxes                                                                                                                                                                                                      |                   | 2,109,733.01           |
| Provision for Income Taxes -                                                                                                                                                                                                        |                   |                        |
| Payable in Canada . . . . .                                                                                                                                                                                                         | 118,000.00        |                        |
| Payable elsewhere . . . . .                                                                                                                                                                                                         | <u>52,528.76</u>  | <u>170,528.76</u>      |
| Net Profit for the year . . . . .                                                                                                                                                                                                   |                   | <u>\$ 1,939,204.25</u> |

STATEMENT OF EARNED SURPLUS

December 31st, 1935

|                               |                   |                         |
|-------------------------------|-------------------|-------------------------|
| Earned Surplus -              |                   |                         |
| December 31st, 1934           | .                 | \$ 16,027,640.68        |
| Net Profit for the year ended |                   |                         |
| December 31st, 1935           | .                 | 1,939,204.25            |
| Adjustment of Prior Years'    |                   |                         |
| Reserve for Taxes             | . .               | 29,961.23               |
|                               |                   | <hr/>                   |
|                               |                   | 17,996,806.16           |
| Dividend No. 34 -             |                   |                         |
| Class "A" Shares              | . . \$ 794,480.00 |                         |
| Class "B" Shares              | . . 35,000.00     | 829,480.00              |
|                               |                   | <hr/>                   |
| Earned Surplus -              |                   |                         |
| December 31st, 1935           | .                 | <u>\$ 17,167,326.16</u> |

# F O R D      M O T O R      C O M P A N Y

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## B A L A N C E

### A S S E T S

December

#### Cash and Bonds—

|                                                                                                                                  |                 |                  |
|----------------------------------------------------------------------------------------------------------------------------------|-----------------|------------------|
| Cash on hand and in Banks . . . . .                                                                                              | \$ 3,214,056.67 |                  |
| Bonds issued or guaranteed by the Federal,<br>Provincial or Municipal Governments in<br>Canada - at not more than cost . . . . . | 9,715,199.99    |                  |
| ( Market Value \$ 9,697,453.26 )                                                                                                 |                 |                  |
| Interest accrued on Bonds and Bank Balances                                                                                      | 79,879.89       | \$ 13,009,136.55 |

#### Accounts Receivable—

|                                                                                |              |              |
|--------------------------------------------------------------------------------|--------------|--------------|
| Notes, Drafts and Open Accounts<br>(less Reserve for Doubtful Debts) . . . . . | 1,740,761.92 |              |
| Customs Drawback and Refund Claims . . . . .                                   | 1,105,239.18 |              |
| From Subsidiary Companies . . . . .                                            | 5,168,302.85 | 8,014,303.95 |

|                                                                                                                                                  |              |
|--------------------------------------------------------------------------------------------------------------------------------------------------|--------------|
| Inventories - ( as determined and certified by<br>Company Officials and priced at not more<br>than the lower of cost or market value ) . . . . . | 3,832,740.87 |
|--------------------------------------------------------------------------------------------------------------------------------------------------|--------------|

|                                                                                              |            |
|----------------------------------------------------------------------------------------------|------------|
| Deferred Charges, Etc.- (including expenditures<br>on account of 1936 production ) . . . . . | 509,131.58 |
|----------------------------------------------------------------------------------------------|------------|

|                                                         |              |
|---------------------------------------------------------|--------------|
| Shares of Subsidiary Companies ( fully paid ) . . . . . | 6,205,502.27 |
|---------------------------------------------------------|--------------|

|                                                                           |               |
|---------------------------------------------------------------------------|---------------|
| Land, Buildings, Plant and Equipment - at not<br>more than cost . . . . . | 26,693,631.45 |
|---------------------------------------------------------------------------|---------------|

|                   |      |
|-------------------|------|
| Patents . . . . . | 1.00 |
|-------------------|------|

\$ 58,264,447.67

### A U D I T O R S '    R E P O R T

*We have audited the books and accounts of Ford Motor Company of Canada, Limited for the year 1935. In our opinion the above Balance Sheet has been properly drawn up so as to exhibit a true and correct statement of the financial position of the Company at the end of the year, and the information, the explanations given us and as shown by the books.*

*As required by the Dominion Companies Act, Section 114, we report that net profits of Subsidiary companies received from these Companies as shown in the Statement of Income and Expenditure, and in the aggregate of the same.*

Toronto, Ontario, March 24th, 1936

# OF CANADA, LIMITED

## SHEET

31st, 1935

### LIABILITIES

#### Accounts Payable—

Purchase Creditors, Accrued Expenses and

Pay Rolls . . . . . \$ 2,094,013.22

Taxes payable in Canada . . . . . 201,218.73     \$ 2,295,231.95

#### Reserves—

Depreciation of Buildings, Plant and Equip-  
ment . . . . .

21,172,789.56

Investments . . . . . 1,000,000.00

22,172,789.56

General Reserve . . . . . 3,250,000.00

#### Capital—

Authorized - 1,900,000 Shares Class "A"

No Par Value

100,000 Shares Class "B"

No Par Value

Issued and Fully Paid -

|                              |   |               |
|------------------------------|---|---------------|
| 1,588,960 Shares Class "A" } | } | 13,379,100.00 |
| 70,000 Shares Class "B" }    |   |               |

Earned Surplus . . . . . 17,167,326.16     30,546,426.16

Contingent Liability for Plant under Construction -

Uncompleted portion contracted for to date \$691,329.97

\$ 58,264,447.67

Approved on behalf of the Board,

W. R. CAMPBELL,  
DIRECTOR

G. E. DICKERT,  
DIRECTOR

#### TO SHAREHOLDERS

ended December 31st, 1935 and have obtained all the information and explanations which we have required and correct view of the state of the Company's affairs as at December 31st, 1935 according to the best of our

Companies for the year ended December 31st, 1935 have been taken into account only to the extent of the aggregate were in excess of such dividends.

Clarkson, Gordon, Dilworth & Nash.

Chartered Accountants



## DIRECTORS' REPORT

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### TO THE SHAREHOLDERS:

The Board of Directors presents herewith the Annual Report of the Company for the year ended December 31st, 1935, including a Balance Sheet, properly certified by the Company's Auditors, a Statement of Income and Expenditure, and a Statement of Earned Surplus.

Net profit for the year amounted to \$1,939,204.25, as compared with \$1,878,112.91 for the previous year.

*Assets*—Cash and Bonds totalling \$13,009,136.55 decreased during the year by \$4,683,668.97, while Receivables totalling \$8,014,303.95 increased by \$4,685,452.25. Inventories also increased by \$921,496.25. These changes are the reflection of a greater volume of business and the introduction of 1936 models in November 1935. Shipments of new models to Subsidiary Companies were moving in volume before the close of the year.

Included in Deferred Charges are certain expenditures for tools pertaining to 1936 production. Such expenditures will be entirely absorbed in 1936.

Plant accounts increased \$1,074,107.65 during the year. This increase represents the cost of building and equipping a new foundry together with purchases of new machinery. As indicated by reference to Contingent Liability, further additions to plant are in progress.

*Liabilities*—Accounts Payable increased \$444,822.41 as the result of increased inventories.



Reserve for Depreciation amounting to \$21,172,789.56 includes full depreciation of a substantial proportion of Plant and Equipment. In view of this position the increase in the reserve in 1935, namely \$189,685.67, was relatively small.

*Income and Expenditure*—Total volume of Sales and Miscellaneous Income (exclusive of Investment Income) amounted to \$46,593,124.31.

Sales of automotive units, including sales to Subsidiary Companies, totalled 79,844, an increase of 30,927 over the previous year.

Net Operating Loss was \$403,718.73, which was offset by Investment Income of \$2,513,451.74, arising chiefly from dividends received from Subsidiary Companies amounting to \$1,903,605.76. The Net Profit before taxes was \$2,109,733.01 and the final result for the year, after provision for taxes, was \$1,939,204.25. This amount was transferred to Earned Surplus.

In conformity with the requirements of the Dominion Companies Act 1934 and Amendments, certain specific expenditures are itemized in the Statement of Income and Expenditure.

*Earned Surplus*—Net increase in Earned Surplus for the year was \$1,139,685.48.

A dividend of \$0.50 per share on all of the issued shares of the Capital of the Company was paid on May 28th, 1935.

For the Directors

W. R. CAMPBELL

PRESIDENT

Windsor, Ontario,  
April 11th, 1936.





